

The Director of Central Intelligence

Washington, D. C. 20505

3 July 1986

NOTE FOR: DDCI

FROM: DCI

Bob:

I didn't reach Miller. At the right
time, you can take it up with Miller or
his deputy. These notes come from [redacted]
[redacted] who is following this issue closely.



William J. Casey

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TALKING POINTS FOR YOUR CALL TO MILLER

° In passing the Diplomatic Security Act, the Senate went against assurances CIA had been given on the language of two key sections.

- Section 103 (b) (2) - Secretary of State's role in setting overseas staffing levels: Senate-passed version used "establish" - CIA had pushed for "coordinate".

- Section 106 (b) - "Savings" clause: House-passed bill said nothing in Act "impairs" intelligence activities - Senate version watered this down.

° Administration/OMB & State must indicate to conferees that everything should be done to return to "coordinate" instead of "establish" and that House language on savings clause is preferable.

° DCI letter to conferees on these points will be sent to OMB for clearance next week - OMB must clear expeditiously.



STATEMENT OF ADMINISTRATION POLICY

May 29, 1986 .
(Senate)

H.R. 4151 - Omnibus Diplomatic Security and Anti-Terrorism
Act of 1986
(Rep. Mica (D) Florida and 33 others)

The Administration supports Senate passage of H.R. 4151 and the adoption of amendments to:

- ✓ revise section 103(b)(2) to require the Secretary of State to coordinate rather than establish overseas staffing levels because as drafted this section could diminish the management prerogatives of other agency heads;
- delete section 402 which allows only U.S. persons or U.S. joint venture persons to bid on diplomatic construction projects exceeding \$5 million in value because such a limitation is objectionable on trade policy grounds and could reduce the benefits to open competition, thereby, increasing costs;
- modify section 604 to clarify that Fascell Fellows would not be considered Federal employees for the purposes of any retirement, health insurance or life insurance benefits; and
- amend the authorizations for appropriations in sections 501 and 502 to clarify that any appropriations would fall under existing FY 1986 and 1987 authorizations for the Administration of Foreign Affairs [P.L. 99-93].

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This is OMB's policy statement on Diplomatic Security. It was sent to Senate Foreign Relations on 29 May. At our request, OMB inserted the yellowed amendment. However, as we now know, the Senate disregarded OMB's request.